From:	Christy Agner
To:	Ben Pendry; Chris Williams; Kelli Brown; Kyle Pifer; Melissa Wargo; Mike Byers; Rich Price; Richard Starnes; Sam Miller; Shea Browning; William Moultrie
Subject:	NC Tribune + Partner News, Week of Jan. 20-25
Date:	Friday, January 23, 2026 6:47:42 PM
Attachments:	Weekly Federal Recap for January 23 2026.msg

Team, please enjoy the NC Tribune + partner news for the week of Jan. 20-25. The attached System Office federal overview details a week of movement for congressional appropriations bills, including the DOD bill that contains likely funding for WCU / CET. No action at the NCGA this week. Way too much higher ed news from UNCCH for me, but it hits on sports wagering and campus expansion topics similar to topics we are tracking so I guess I had to include it (sorry Chris!). Enjoy – Christy

Congress

- With one week to go before our current short-term CR on congressional funding, there is a pathway to finishing up the FY 26 appropriations process. The Senate was in recess this week, so will return next week to vote on the four bills, which will be packaged together along with State, Foreign Operations and Financial Services, approved by the House last week – in all a six-bill minibus. Leaders are hoping the expected snowstorm won't affect the ability of senators to return to Washington, DC next week, as the current continuing resolution (CR), expires next Friday.
- Higher Education Funding Mostly Flat-Funded in Final Bill; does not show agreement with the Administration Terminations and Efforts to Dismantle Education Department
- Note, in the list of earmarks for UNC System (in system office summary), you will not see WCU's CET appropriation, as it is not an earmark, rather WCU will see funding from a programmatic increase to the Army's budget for consortium research on a particular type of technology.
- House Passes Pregnant Students' Rights Act . The path for this bill in the Senate is unknown.

State

AI Leadership Council held its 2nd meeting, establishing two goals for its subcommittee work: Four subcommittees — Talent & Workforce, Governance & Safety, Transformation & Innovation, Tech, Data & Infrastructure — will meet monthly and report to the full council. Regional membership on the Council includes Rep. Jake Johnson (Polk). UNCCH has two members on the committee. Goals include:

1. Coordinate with the North Carolina Energy Policy Task force to assess the environmental impacts of energy and water consumption due to increased AI usage.
2. Monitor labor market impacts due to AI to prepare the state's workforce and upscaling technology that augments, rather than replaces, human capability and judgment.

NCGA – no legislative meetings scheduled this week.

Sharing bill topic popping up in our US region this month (all their legislatures are in session) - **New College Recruiting Pitch: Tax-Free NIL Earnings.** Relative to SoCon**:** Alabama proposal (failed), Georgia (introduced), NC (introduced) SC (introduced)

Higher Ed Leaders See Solutions in Volatile Policy Landscape. *Note, Senator Kevin Cobin is a member of the NCSL Task Force on Higher Education*

Local

Jackson County has scheduled a 230th anniversary of the county for Wednesday, Feb. 11 at the County Agriculture facility – 3-6 pm

Jackson County Schools Foundation is holding an adult 'prom' on Feb. 27th at WCU Grand room. Funds assist the Jackson County School System student projects

Jackson County Schools reported a $71k balance of its school food service fund, stating that the County provided $500k at the end of the year to assist the cash balance. The External Audit and Financial Statements presenter commented that without the county funds, the school food service fund would have ended with a significant deficit. *Tracking this item related to the Catamount School nutrition recurring costs (transportation of food), which are being absorbed by WCU.*

Partners and Statewide News

John Hood's OpEd on Transparency will help, not harm, campuses

UNC TV Statelines program hosted Dr. Chris Cooper as one of their four weekly panelists. https://www.pbs.org/video/january-23-2026-ojndjl/

Do Better Politics weekly podcast hosted Dr. Chris Cooper and a Catawba College faculty member this week

NC Association of County Commissioners highlight Tabitha Ashe, tax administrator for Jackson County in its Quarterly Magazine (Profile in Service, spotlight on county tax administration)

Statewide News

State agencies say N.C. Auditor Dave Boliek's **lapsed-salary report** is riddled with errors that exaggerate how much money is actually available for legislators to reallocate. These include but go beyond the report's inclusion of 619 unfunded slots in the state Commerce Department. As previously reported here, many of those are on the books so officials can quickly fill them to cope with a surge of unemployment claims in a recession. Other departments and offices have pointed out similar discrepancies. Secretary of State Elaine Marshall's office, for example, noted that the report's **data dashboard** lists four openings for it that collectively have generated almost $232,274 in lapsed salary. Those jobs are associated with a yet-to-launch remote-notary program legislators authorized but have yet to actually fund, says Tim Crowley, the secretary's chief of staff. Once it does launch, users fees will support the program's continuation. But thanks to how the auditor's office presenting the data, "it suggests the agency has access to general-fund appropriations as a result of these lapsed salaries, and that is not the case," Crowley said. Similar complaints came from the

departments of Administration, Environmental Quality, Natural & Cultural Resources and Public Instruction. The so-called DAVE report claimed that there was $1.04 billion in lapsed salary across 46 state agencies as of last August. Boliek has said the report's meant to highlight "long-term vacancies" that "muddy the waters of government expenditures," and thus give elected officials an idea of where to make adjustments. His office as recently as Friday has said, in a news release, that the $1 billion-plus "has been generated" by the vacancies. But Boliek's aides acknowledge that the figure isn't necessarily actual cash on the barrelhead, as it usually would be at the local-government level. "Lapsed salary does not mean that money is sitting in the bank, and the state auditor does not make that representation," Boliek spokesman Randy Brechbiel said. Rather, the report uses an Office of State Budget and Management definition that says "lapsed salary is the dollar amount not expended for salary during the period in which a position is vacant," he said. Gov. Josh Stein's office says $293 million of the total comes from jobs that don't generate lapsed salary when vacant. Another $232 million is tied to receipt-funded jobs (fees and grants, most commonly) and can't be shuffled. There's also $67 million linked to specific transportation projects that by law has to go back into the state's Highway Fund if it's not used. The report's "significant inaccuracies" make "it inappropriate as a basis for comprehensive, long-term reform" to the budget process, said Seth Dearmin, Stein's chief of staff.

Higher Education News

The State Community College Board adopted a new 2026-29 Strategic Plan, including an updated mission statement and goals. The group plans to 'tap the brakes' on the planning process until a new president arrives. Until then, the group plans to analyze the results of the current strategic plan (KPOs). Southwestern CC had the following program approvals: Career and Technical Education Teacher Education Program (A55320) Health Science: Therapeutic & Diagnostic Services/Emergency Medical Science (D45910) Health Science: Therapeutic & Diagnostic Services/Medical Assisting (D45920) Health Science: Therapeutic & Diagnostic Services/Nurse Aide (D45970) Health Science: Therapeutic & Diagnostic Services/Phlebotomy (D45950) Health Science: Therapeutic & Diagnostic Services/Therapeutic Massage (D45960) School-Age Expanded Learning and Enrichment (A55440). Haywood CC had the following program approvals: Haywood Community College Electronics Engineering Technology (A40200) Practical Nursing (Diploma) (D45660). Additional Engineering Technology programs were approved for Davidson /Davie CC and Randolph CC

When early voting starts Feb. 12 in the primaries for the 2026 midterm elections, many college students will have a voting site nearby. There are early voting sites on or near the campuses of NC State University, Duke University, NC Central University and UNC-Chapel Hill campuses, for example.
Boards of elections approved those sites, but they turned down proposals for voting sites on several other campuses. Namely, they rejected sites at:

- UNC Greensboro

North Carolina A&T State University
- Western Carolina University
- Elon University

Kyle Ingram has the full story on the decisions by newly Republican-controlled elections boards about where and when to provide early voting options.

Eviction prevention contract gets one more month of ARPA funds - Scott D. Yost/Rhino Times Guilford County commissioners are set to approve a one-month extension of the county's contract with the University of North Carolina at Greensboro's Center for Housing and Community Studies at their Thursday, Jan. 15 meeting in order to allow the full use of remaining federal pandemic relief funds without committing any new local dollars. The action will amend the existing contract for the county's Eviction Mediation and Landlord Outreach Program – known locally as the TEAM Clinic – extending the expiration date from December 31, 2025, to January 31, 2026. County staff say the extension is necessary to fully expend American Rescue Plan Act funds that would otherwise be left unused due to federal restrictions. Guilford County has partnered with UNC-Greensboro's Center for Housing and Community Studies since July 2021 to operate the TEAM Clinic, which provides courthouse-based eviction mediation, landlord outreach and "housing stability services" in Greensboro and High Point. **[Read more here]**

Barber-Scotia Status: Barber-Scotia College in Concord has regained its tax-exempt status after a ruling by the North Carolina Property Tax Commission. The commission ruled last week that the historically Black college is eligible for property tax exemptions for its campus, reversing a 2023 decision by Cabarrus County that removed the exemption. Barber-Scotia lost its accreditation in 2004 and has struggled with enrollment for years. According to The Charlotte Observer, the school had just four students enrolled online in 2023. By fall 2025, the college reported enrollment had grown to 114 students. Founded in 1867, Barber-Scotia sits on a 23-acre campus in Concord. College leaders launched a five-year strategic plan in 2022 aimed at stabilizing operations and laying the groundwork for restoring full accreditation. The tax ruling provides financial relief as the school continues efforts to rebuild and expand its academic programs. *WFAE Radio*, 1/20/26

Today's number: 496 That is the number of summer engineering internships that have been created by the Rural Works! Program at NC State since 2019. The program places NC State engineering students with companies in rural areas. The students make $25 an hour. NC State puts up $10 and the companies put up $15. All told, the 496 internships have been at 195 companies in 62 counties. The companies get engineering students who help solve all kinds of problems. The students get practical experience. And rural counties benefit when students are hired by the companies. x=For the 152 internships last summer, there were 5,000 applications, according to Anna Mangum of NC State's Industry Expansion Solutions. In a **webinar** last week she said around 80 internships have been created for next summer, and 2,000 applications received. The budget is for around 150 internships. If your company is interested in creating an internship, you can go **here**. There's an April deadline to get interns

selected and employer hiring forms in. For more information, contact Sam Sanger, rural outreach coordinator. You can also contact an IES regional manager, like Mangum. Here is a *Business North Carolina* column that Dan Barkin wrote about the program last year. Last week's webinar included a presentation by an engineering students, Jeremy Luz, who worked at Charter Furniture in Chatham County last summer. He is a graduate of Cleveland High School in Johnston County and an industrial and systems engineering student. He graduates in May 2027. After you watch the video at the 25-minute mark, you will want to hire him.

N.C. A&T honors astronaut Ronald McNair 40 years after Challenger disaster Amy Diaz/WFDD Radio North Carolina Agricultural and Technical State University is honoring astronaut and physicist Ronald McNair's legacy 40 years after the alumnus was killed in the Space Shuttle Challenger disaster. The observance is called "40 Years of Inspiration, Innovation and Impact: Beyond the Horizon — Continuing McNair's Mission." Events include a symposium and graduate fair for students taking place through the weekend, as well as a luncheon and panel discussion open to the public next Wednesday. Alexis Spence, a third-year physics student, says McNair is part of the reason she chose to go to N.C. A&T. "To know that this school is the history of a man who's not only an astrophysicist, but also a black belt in karate and could play the saxophone, sounds like the coolest person you could ever meet," she said. "And that is the kind of legacy I knew I wanted to be a part of." [Read more here]

UNC Chapel Hill will finally break ground on its Carolina North satellite campus in 2027, Chancellor Lee Roberts and his aides say. Briefing trustees Wednesday morning, Roberts said the plan for the first phase of development on the site will include housing for 2,200 students, plus classroom, lab and research space. The mixed-use project will also include retail, hospitality and lodging, he said. Roberts said the state's population growth, the Triangle's growth and the site's location proximity to Interstate 40 and Carolina's main campus all are setting up a unique opportunity for the state's flagship university. "Most universities would give anything to have this amount of developable land available to them this close to the main campus," he said. "In fact, we don't believe that there is this much developable land close to this much population growth anywhere else in the southeastern United States." Trustees responded by endorsing the administration's request for $8 million in spending authority to begin planning what Vice Chancellor for Finance Nate Kauffman termed the "enabling infrastructure" for the project. Carolina North would occupy the site of the former Horace Williams Airport in Chapel Hill. It needs roads, water and sewer among other things before it can host development on the scale Roberts and his team are talking about. Roberts also detailed the additional steps he and his team are taking to get the work going. These include the hiring of Tiffany Lacey to serve as Carolina North's project manager and executive director. Lacey comes from Houston-based Brookfield Residential and before that was senior development manager for a Google campus redevelopment in northern California. She brings "significant global experience working on large-scale mixed-use development projects, and she'll be the point person on the project overall," Roberts said. The chancellor said the project will take in just 250 acres, which is about a quarter of the airport property. Much of the rest is forest, which Roberts called "a crucial resource" for both Chapel Hill and the Triangle.

"That's not going anywhere," he said, signaling that he intends to abide by commitments his predecessors made to the town. Campus officials intend to issue a request for qualifications in the near future seeking a master developer for the site. They say public-private partnerships will fuel most of the construction there. They lamented that it's taken decades to bring the project to the forefront. Funding has been a major hang-up going back to former Chancellor James Moeser's tenure, and the precise plan on that point remains vague. Officials say only that they see a mix of "state support, university trust funds, revenue-backed debt, private philanthropy and third-party investment." Total costs, they added, remain to be determined. Revenue-backed debt is the customary source of money for student housing. The $8 million in planning money will come from university trust funds, Knuffman said. The 2027 timeline for groundbreaking also leaves room for maneuver. A university news release said it would occur "early" in the year "once the plot is prepared." But Roberts' briefing slides for trustees called for a summer groundbreaking.

Renovate don't relocate': Roy Williams joins petition to keep UNC basketball at Dean Smith Center Michael Koh/WCHL Chapelboro [*Including this story re: debate of student access to college sporting events / venues for which they pay student athletic fees*).
As discussion around the potential relocation of the UNC men's basketball program away from the Dean Smith Center heats up, one notable voice has spoken up in favor of the 40-year-old arena: Hall of Fame head coach Roy Williams. In a video posted on Instagram Monday night, Williams reflected on his time in the arena and conversations with his mentor, head coach Dean Smith. "I'm very much in favor of staying here in the Smith Center," the 75-year-old Williams said. "Remodeling, renovating, whatever we need to do. I do not want to go off campus. "I was Coach Smith's assistant for ten years. We had many discussions about basketball, about life, about the golf course, everything. But I do know, during the conversation about what to get out of this building… that Coach Smith wanted this place on campus. That was his wish." **[Read more here]**

The Dome, the future and Carolina North UNC Chapel Hill Chancellor Lee Roberts says he and his team "haven't made any decisions" about the future of the university's basketball arena, and remain open to advice on the subject. He told trustees he intends to set up two stakeholder committees, "one of basketball folks and one made up of students," to weigh in. His comments alluded to the ongoing questions about the future of the Smith Center — more popularly known as the Dean Dome — and whether it should be renovated or replaced. For much of 2025, all signs pointed toward replacement, with the Carolina North satellite campus a couple miles up Martin Luther King Jr. Boulevard emerging as the prospective site of a new arena. Now, however, basketball-team alumni and former head coach Roy Williams are spearheading calls to **retain and renovate** the existing building. Williams has recorded **a video**, saying he's "given my opinion very strongly," wants the Dome renovated and that Carolina coaching legend Dean Smith wanted it kept "on campus." Though that impinges on the question of what exactly "campus" will mean going forward, Williams' intervention certainly further complicates the in-house politics of the decision for Roberts and other officials. These were plenty complicated already. Carolina opened the Smith Center in 1986,

just before the advent of the skybox era of arena design and the revenue stream that comes with it. The name/image/likeness era of uncontrolled player transfers has only exacerbated the revenue issue. And yet, the men's basketball team has called the Smith Center home for twice as long as it played in fabled Carmichael Auditorium. In Roberts' eyes, meanwhile, Carolina North is very much the university's future as an academic enterprise. There are few clean-sheet building options left on the existing campus. The university's getting ready to build some new dorms there, but demolishing existing structures goes hand-in-hand with that. Academically, Carolina's evolved into much more of a STEM institution than it was a half-century ago, Roberts said. With that comes a demand for flexibility — which Carolina North can provide. "When you look at biology and media and computer science, exercise and sports science, those programs all require not just modern facilities, but facilities that need to be updated and refreshed and improved as technology advances," the chancellor said. "And we need more capacity for those programs as they become increasingly popular." Trustees voiced no disagreement. One of them, political consultant Jim Blaine, said Wednesday "the arena discussion is distracting from the purpose of this development." He added that the university has become "too selective" in its admissions and needs to grow to serve North Carolina's ever-expanding population. "If we don't serve a relatively high percentage of the people of this state, it's hard to say that we are the People's University," Blaine said. "So I just hope that we all stay focused on that as we move forward and don't get distracted by some of the, you know, ancillary discussion."

More spending cuts coming at UNC Chapel Hill Trustees at UNC Chapel Hill have given Chancellor Lee Roberts and his team orders to find $25 million in administrative spending cuts and a green light to start laying off people if necessary to meet that. The move comes at the urging of the board's Budget committee and its chairman, Greensboro developer Marty Kotis. His rationale for the moved alluded to the state's ongoing budget impasse, which has tied up money the campus would ordinarily receive to underwrite enrollment growth. Also implicated: A Senate proposal to allow the athletic programs at Carolina and NC State to begin sharing in the proceeds of the state's sports-wagering program. It currently spins off money for athletics at most of the UNC System's universities, except for the two flagships. In 2023 when they approved the program, legislators justified leaving the flagships out because they receive far more TV money than other schools in system. But now, at Chapel Hill at least, that's beginning to rankle given the increased financial demands of the name/image/likeness era of unrestricted player transfers. Kotis also noted that the Board of Governors has been transferring money out of Chapel Hill to cover operations on other system campuses. "The main thing is this protects teaching, research and student services," he said of the proposal, which comes on top of a $70 million reduction the Roberts team was already pursuing. But fellow trustee Jim Blaine — a political consultant and Senate leader Phil Berger's former chief of staff — had some questions even though he supported the cuts. The most pointed, by far, was about the degree to which the campus has to take on extra administrative burdens because of UNC Health. The university and the health systems are separate enterprises, with separate boards. But many of the doctors who work at UNC Health are also professors in the university's School of Medicine. The health system's hospitals are often the setting for their

research. Blaine questioned how much control the university has on that side of the house. “I’m not trying to say that UNC Health isn’t important, but it sometimes feels to me like they hide behind us when the people come and want money,” Blaine said. “Then they get out in front of us and ride on our reputation when they’re after things.” What made that especially noteworthy is that funding for UNC Health’s (and Duke Health’s) planned children’s hospital in southern Apex is among the major sticking points in the House-Senate budget impasse. Berger has championed the project. Blaine also pointed out, and Vice Chancellor for Finance Nate Kauffman confirmed, that Chapel Hill’s administrative headcount looks worse in the UNC System’s statistics relative to other campuses because of its large research enterprise. Knuffman said the medical school’s $2 billion-plus annual operating cost is comparable to NC State’s and “greatly dwarfs the rest of the other system schools.

Regional News

Chinese factory incentives spark backlash from N.C. manufacturers *(Triangle Business Journal)* State and local incentives exceeding $7 million for a Chinese-owned manufacturer’s planned 500-job factory in Robbinsville have drawn criticism from North Carolina competitors. Domestic executives argue the deal creates unfair advantages amid tariffs and labor shortages, while state officials say incentive programs are available to all firms regardless of headquarters.

Buncombe Jail Ryley Ober, *Asheville Citizen Times*, 1/16/25 Buncombe County Sheriff Quentin Miller is asking other local sheriffs for help housing detainees, citing an "urgent need" for extra space amid overcrowding at the county jail. Miller expressed the concern in a Jan. 14 letter to Eddie Caldwell, the executive vice president of the North Carolina Sheriffs' Association. Miller wrote there is an "anticipated and urgent need for additional jail space," according to the letter obtained by the Citizen Times and first reported by WLOS. The sheriff's office is seeking assistance from sheriffs throughout the state to temporarily house 50 male detainees from Buncombe County. The letter said the office is unsure how long the detainees would need to be held but would like to place them in other jails for two weeks at a time. Miller cited recent legislative changes and processing delays, leading to overcrowding at the Buncombe County Detention Facility. The facility in downtown Asheville has 524 beds in 12 housing units. The average daily jail population since Jan. 1 is 501 people, compared to about 406 people during the same time period in 2025, according to a jail dashboard. On Jan. 11, the jail was overcapacity at 527 people, the dashboard shows. "As you are aware, circumstances such as these can arise unexpectedly, and collaboration among North Carolina’s Sheriffs is vital to maintaining public safety and the effective operation of our facilities," Miller wrote. The sheriff's office would provide all necessary transportation, ensure compliance with other facilities' protocols and cover any associated costs as required by state regulations, the letter said. [

Helene: Arboretum embraces challenge, change in species David Beasley/The Center Square On the morning before Hurricane Helene hit western North Carolina in late September of 2024, Drake Fowler was already expecting trouble with the weather ahead. The 434 acres of

public forests and gardens had already been hit with 10 inches of rain the night before the hurricane hit, remembered the executive director of the North Carolina Arboretum. “I was on the property at 6:30 that morning and saw that Bent Creek, which runs through the arboreum, was already basically at flood stage,” Fowler told TCS. The arboreum was closed for the day and a safety protocol activated. Chainsaws were filled with fuel. The next morning, Fowler and other employees had to go by foot into the arboretum, not knowing what kind of damage they would find as trees through the area were knocked down by Helene causing widespread power outages and other damage. The damage at the arboretum, which is affiliated with the North Carolina University System, was massive. **[Read more here]**